

**OSTER**  
**Researching Services**

12897 Colonial Dr. • Mt. Airy, Md. 21771  
301-253-6040

0100356005

18980

SEP 14 1994 9 50 AM

September 14, 1994

RECEIVED  
OFFICE OF THE  
SECRETARY  
SEP 14 9 50 AM '94  
LICENSING BRANCH

Mr. Vernon Williams  
Acting Secretary  
Interstate Commerce Commission  
12th & Constitution Avenue, N.W.  
Washington, D.C. 20423

Dear Mr. Williams:

Enclosed is a Note and Security Agreement dated 8/29/94 for ICC  
recordation. The parties involved in this transaction include:

Lender: Guardian Bank of Houston  
2201 Mangum  
P. O. Box 924009  
Houston, Texas 77292

Borrower: Jansen Rail Car, Inc.  
P. O. Box 2288  
Dayton, Texas 77535

The equipment included in this transaction is as follows:

Equipment: 7, 4000 cf Covered Hoppers  
JRCX 4001-4007

Please record this agreement as a primary document. The filing fee  
of \$18 is enclosed. Thank you for your assistance.

Sincerely,

*Mary A Oster*  
Mary Ann Oster  
Research Consultant

Enclosures

*Mary A Oster*

**Interstate Commerce Commission**  
Washington, D.C. 20423

OFFICE OF THE SECRETARY

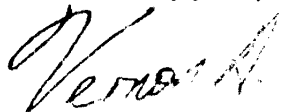
SEPTEMBER 14, 1994

MARY ANN OSTER  
RESEARCH CONSULTANT  
OSTER RESEARCHING SERVICES  
12897 COLONIAL DRIVE  
MT. AIRY MD 21771

Dear MS. OSTER:

The enclosed document(s) was recorded pursuant to the provisions of Section 11303 of the Interstate Commerce Act, 49 U.S.C. 11303, on 9/14/94 at 9:50AM, and assigned recordation number(s). 18980

Sincerely yours,

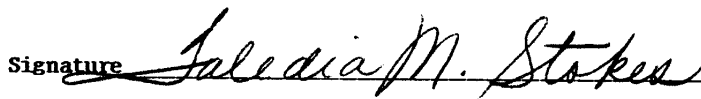


Vernon A. Williams  
Acting Secretary

Enclosure(s)

\$ 18.00 The amount indicated at the left has been received in payment of a fee in connection with a document filed on the date shown. This receipt is issued for the amount paid and in no way indicates acknowledgment that the fee paid is correct. This is accepted subject to review of the document which has been assigned the transaction number corresponding to the one typed on this receipt. In the event of an error or any questions concerning this fee, you will receive a notification after the Commission has had an opportunity to examine your document.

Signature



## NOTE AND SECURITY AGREEMENT

This is to certify that the foregoing is a true and correct copy of the original instrument.

By: Guardian Bank

Donald R. Hengst

Notary: Donald R. Hengst



Borrower's Name Jansen Rail Car, Inc.

Date 8/29/94 Officer DRH/MKC Dolores M. Edwards Disclosures Required By Federal Law

Note No. 039100 CIF No. 105

This agreement covers my loan with you. I, me and my mean anyone who signs this agreement as a borrower or co-borrower. You and Your mean Guardian Bank of Houston, with offices and place of payment at 2201 Mangum, P.O. Box 924009, Houston, Harris County, Texas 77292-4009. An E next to an amount means that it is estimated.

PROMISE TO PAY. To repay my loan I promise to you you a total of EIGHTY FIVE THOUSAND & 00/100 DOLLARS

(\$ 85000.00), along with interest:

☐ Figures for the entire loan period and included in the total amount of my loan shown above. This is known as pre-computed interest.

☒ Added at the fixed rate of 9.25 % a year.

☐ Added at a varying rate of N/A % a year above your Prime Rate announced and in effect from time to time.

NOTICE TO CONSUMER: UNDER TEXAS LAW, IF YOU CONSENT TO THIS AGREEMENT, YOU MAY BE SUBJECT TO A FUTURE RATE AS HIGH AS N/A % PER YEAR. Federal law may allow even higher rates.

☐ Other \_\_\_\_\_

## SECURITY INTEREST.

☐ My loan is UNSECURED. There is no collateral, except that collateral securing other loans with you may also secure this loan, to the extent permitted by applicable law.

☒ My loan is SECURED. To protect you if I fail to repay my loan or to meet any other obligations I have with you now or in the future, I give you a security interest in the following collateral, to the extent permitted by applicable law.

(7) 4,000 cubic foot covered Hopper cars

Formerly Dupont	Current Jansen
DUPX 34043	JRCX 4001 JRCX 4007
DUPX 34016	JRCX 4002
DUPX 34025	JRCX 4003
DUPX 34026	JRCX 4004
DUPX 34030	JRCX 4005
DUPX 34035	JRCX 4006
DUPX 34036	

BORROWER'S PURPOSE: To induce you to extend credit to me, I represent that the proceeds of my loan will be used only for the following purposes:

☐ Consumer/personal ☐ Commercial/business ☒  
☒ (if applicable). The co-borrower is signing this agreement only to give you a security interest. The co-borrower will have no personal responsibility on the loan.

PROPERTY INSURANCE. The insurance indicated below is required for the full term of my loan to protect against loss or damage to the collateral. I may obtain such insurance from a person of my choice subject to your right to reject the person for reasonable cause. I understand this insurance is not obtainable from or through you.

☒ Collision, \$ 250.00 deductible.  
☒ Comprehensive, \$ 100.00 deductible.  
☐ Fire & Extended Coverage, \$ N/A deductible.  
☐ Other \_\_\_\_\_

CREDIT INSURANCE. If I want you may provide me with credit insurance for the loan term. I understand that this insurance is not required for my loan.

☐ I want credit life insurance for a premium of \$ N/A.  
☐ I want credit disability insurance (available only to Borrower) for a premium of \$ N/A.

Borrower's initials \_\_\_\_\_ Co-Borrower's initials \_\_\_\_\_

## ITEMIZATION OF AMOUNT FINANCED.

\$ N/A Amount given to me directly  
\$ N/A Amount paid on my account  
Amount paid to others on my behalf  
\$ N/A to Insurance Companies  
\$ 85000.00 to \_\_\_\_\_  
\$ N/A to \_\_\_\_\_  
\$ N/A Prepaid finance charge.

BORROWER'S STATEMENT. I have received a copy of this agreement with all necessary spaces completed. Additional terms are on the reverse side of this agreement. I am signing this agreement in HARRIS County, Texas.

Jansen Rail Car, Inc.  
X Wayne A. Jansen  
Borrower Wayne A. Jansen, President  
P O Box 2288

Address Dayton Tx 77535-6288  
409-258 5855

Telephone 76-0261521

SS No. \_\_\_\_\_

## ANNUAL PERCENTAGE RATE

The cost of my credit as a yearly rate.

9.25 %

## FINANCE CHARGE

The dollar amount the credit will cost me

\$1573.63

## Amount Financed

The amount of credit provided to me or on my behalf.

\$5000.00

## Total Of Payments

The amount I will have paid after I have made all payments as scheduled.

\$106573.63

I will pay what I owe:

☐ Upon your demand, but if no demand, in one payment of \$ N/A, by N/A.

☐ In 60 installments, the first 59 being in the amount of \$ 1776.22 each and a final installment of \$ 1776.65. Installments are ☐ plus, ☒ including interest. ☐ (if installments are plus interest) my payments will vary between \$ \_\_\_\_\_ and \$ \_\_\_\_\_.

☐ Other installment schedule.

RECORDATION NO. 18980 ED 1425

SEP 14 1994 -9 50 AM

The first installment will be due on OCTOBER 1 19 94. Subsequent installments will be due on the 1 day of each MONTH with final installment due on SEPTEMBER 1 XX 1999.

☐ (if applicable). VARIABLE RATE. The Annual Percentage Rate may increase during the term of my loan if your Prime Rate increases. My loan rate shall not exceed \_\_\_\_\_ % a year. Any rate increase will increase ☐ payment amount, ☐ amount due at maturity. If my loan were for \$10,000.00 at 14% per year for one year and the rate increased to 14.5% immediately after closing: ☐ (if installment loan) my regular monthly payment in an equal monthly payment loan would increase from \$897.27 to \$900.23 ☐ (if single pay loan) my one payment in a single payment loan would increase from \$11,400.00 to \$11,450.00.

SECURITY. I am giving a security interest in:

☒ The property being purchased with the proceeds of my loan.  
☐ Household Goods ☐ Motor Vehicle(s)  
☐ Securities ☐ Real Estate  
☒ Other Rail cars

Collateral securing other loans with you may also secure this loan. Filing Fees \$ N/A.

LATE PAYMENT. ☐ (if applicable). I will pay 5% of the unpaid amount of any installment that is 10 days or more overdue.

PREPAYMENT. If I pay off early:

☒ (if simple interest) I will not have to pay a penalty.  
☐ (if add-on interest or points) I may be entitled to a refund of part of the finance charge.

DEMAND FEATURE. ☒ (if applicable). My loan has a demand feature.

ASSUMPTION. ☐ (if applicable). Someone buying my home cannot assume the remainder of my loan on the original terms.

REQUIRED DEPOSIT. ☐ (if applicable). The annual percentage rate does not take into account any required deposit.

OTHER TERMS. I understand that I should refer to the remainder of this agreement and any other appropriate contract document for information about nonpayment, default, the right to accelerate maturity of my loan, prepayment rebates and penalties and security interests.

Co-Borrower Wayne A. Jansen, Individually

Address \_\_\_\_\_

Telephone \_\_\_\_\_

**MORE ABOUT INSURANCE.** I agree to keep the collateral fully insured for loss or damage as you request. The property insurance indicated on the front of this agreement is required for my loan. I have the option of furnishing the required insurance either through existing policies of insurance owned or controlled by me or of procuring and furnishing equivalent insurance coverages through any insurance company authorized to transact business in Texas. I will make the insurance policy payable to you and me and will provide that the policy cannot be cancelled unless you are given at least 10 days notice in writing. You may apply any insurance proceeds and rebates to pay my loan.

You can act as my attorney in adjusting settling or cancelling the insurance. If my policy ends and I don't replace it you can obtain insurance which will protect only your interest in the collateral. I will reimburse you upon demand for any insurance you purchase along with interest at the maximum rate permitted by law.

If the term of my loan exceeds 5 years, I understand that the premium rates for credit insurance are not fixed or approved by the State Board of Insurance.

**ADDITIONAL COLLATERAL.** Whether or not my loan is secured, you can retain or apply any deposit accounts I have with you to pay any of my loan, whether or not it is past due. The collateral securing my loan includes the collateral described in this agreement, whether now or hereafter acquired and wherever located, and all proceeds, products and accessions of such property, including insurance rebates, stock dividends and subscription rights relating to the collateral. However, consumer goods I acquire more than 10 days after you make this loan will not be included in the collateral unless they are installed in or affixed to other collateral.

**PROTECTING THE COLLATERAL.** I own the collateral described in this agreement and no one else has a claim against it. I agree to do all that is necessary to protect your interest in the collateral. I promise not to do anything that will create a claim against it. I will use the collateral carefully and will keep it in good repair. I will not sell, lease, lend or give it to anyone else without your written permission. I agree to provide promptly to you all information reasonable requested by you concerning any collateral for this agreement and my financial status.

You may transfer any of the collateral to your name and may sign my name to any documents that are necessary to protect or transfer the collateral or your interest in it. I understand that you will not be responsible for preserving the collateral or taking action with respect to the collateral, unless that is required by law. If you ask, I will turn the collateral over to you. Otherwise, I will keep it at my address shown on the front of this agreement. You may inspect the collateral at any reasonable time.

**CLAIMS AGAINST THE COLLATERAL.** I will pay any taxes or claims that become due on the collateral. If I fail to do so, you can pay the taxes and claims. You will be the sole judge of their amount and validity. I will reimburse you for any amounts you pay along with interest at the maximum rate permitted by law.

**REPOSSESSION.** You can repossess the collateral if I fail to make any of my payments on time or if I fail to perform any of my obligations under this agreement. I will deliver the collateral to you at any reasonable time at the place you designate, or you can peacefully enter the place where the collateral is kept and remove it.

You can sell the collateral, but you must give me at least 5 days prior notice. I agree that this is reasonable notice. I will reimburse you upon demand, for your reasonable expenses of retaking, holding, preparing for sale or lease, selling, leasing and the like, along with interest at the maximum rate permitted by law.

**NOTICES.** Any notice to me shall be considered as given when deposited in the United States mail, postage prepaid, addressed to me at the address shown on the front of this agreement or at any other address I have given you in writing. Unless required elsewhere in this agreement, I expressly waive notice of default and of intention to accelerate or to foreclose, demand and presentment for payment, notice of non-payment, protest, notice of protest, notice of dishonor, bringing of suit and diligence in taking any action to collect amounts called for hereunder.

**DEBTS OTHERS OWE ME.** If others owe me debts I may be able to use them as collateral. If I do, you can notify anyone who owes me a debt which is part of the collateral to make payment directly to you.

**PREPAYING MY LOAN.** I can prepay all or part of my loan at any time. If I prepay in full or if you demand immediate payment in full before the scheduled maturity of my loan, you will refund any earned or unearned finance charge as required by law. I understand that if I prepay my loan, the interest paid may exceed the Annual Percentage Rate.

**ENTIRE BALANCE DUE.** You can require me to repay the balance of my loan (less unearned finance charge, if any) and any other debt I owe you at once without advance notice if:

1. If I fail to make a payment on time or perform any other obligation under this agreement.
2. Anything happens that you in good faith believe endangers repayment of my loan or performance of my obligations under this agreement.

**COLLECTION COST.** If you are forced to take collection action, I agree to pay your reasonable collection costs, including attorney's fees of not less than 15% of what I owe. I will not be required, however, to pay collection costs in excess of those allowed by law. To the extent allowed by applicable law, I will pay you, upon demand, a reasonable processing fee on return of a dishonored check given in payment of this agreement.

**OTHERS WHO SIGN.** Unless the box on the front side hereof has been checked indicating that the co-borrower has no personal responsibility on my loan, I understand that I and every one else who signs this agreement as a borrower or co-borrower will each be fully responsible for repayment of the entire debt. You can release, impair or modify the obligations to any person in connection with this loan without affecting the obligations of others.

**RETAINING YOUR RIGHTS.** You can waive or delay enforcing any of your rights under this agreement without losing them. For example, you can accept late payments or even a payment even though marked "payment in full," and still retain all of your rights under this agreement, including the right to require me to repay the entire balance at once if future payments are late.

If I fail to perform any of my obligations under this agreement, you can reform them for me without losing any of your rights. You can also waive, impair or release in whole or in part, any promises I have made or any collateral for my loan, without losing any of your rights under this agreement.

**ENTIRE AGREEMENT.** This agreement and any other written agreement executed in connection with this agreement are the entire agreement between you and me. There are no oral conditions, representations or commitments affecting this agreement or any of the other loan documents. An extension or variation in the terms of payment; a release of personal liability or collateral, or a satisfaction of this agreement, in whole or in part, in exchange for collateral or otherwise, is not effective unless it is in writing and signed by your authorized officer.

**TRANSFER-ASSIGNMENT.** You may transfer any of your rights under this agreement.

**OTHER AGREEMENTS BY THIS AGREEMENT.** If I die or in any way lose legal control of my assets, this agreement will bind my heirs, successors and legal representatives.

**APPLICABLE LAW.** This agreement will be governed by Texas law and applicable local law. If any part of this agreement is unenforceable, the remaining parts will remain valid.

**INTEREST.** I will pay you interest on any late payments at the maximum rate permitted by law. Notwithstanding anything to the contrary in this agreement or in any other agreement entered into in connection with my loan, I understand that I am not obligated to pay any interest, late fees, or other charges in excess of the maximum permitted by applicable law. Any amount in excess of such maximum shall be considered a mistake and cancelled automatically, or, if already paid, shall be credited on the principal amount of my loan or refunded to me, at your option.

If at final payment of my loan the total amount of interest otherwise payable under this agreement is less than the total amount of interest which would have been payable if no usury ceiling had been applicable, I agree to pay you the difference between such amounts, but not to exceed the maximum permitted by law. The terms "applicable law" and "law" include any laws that allow a greater rate of interest, as such laws now exist or may be changed or amended in the future.

If my interest rate is tied to your Prime Rate, "Prime Rate" shall mean that variable rate of interest per annum announced by you from time to time as your "prime rate." I understand that your Prime Rate is set as a general reference rate of interest taking into account such factors as you may deem appropriate, that many of your commercial or other loans are priced in relation to your Prime Rate, that your Prime Rate is not necessarily the lowest or best rate actually charged to any customer and that you may make various commercial or other loans at rates of interest having no relationship to your Prime Rate.